

## ROTHERHAM BOROUGH COUNCIL – REPORT TO MEMBERS

1.	Meeting:-	Cabinet Member and Advisers for for Regeneration and Development
2.	Date:-	Wednesday 8 May 2013
3.	Title:-	New Licensed Bazaar Market Boston Castle Ward
4.	Directorate:-	Environment and Development Services

### 5. Summary

To report on the application to hold an Asian themed Bazaar type market on the outdoor covered area of Centenary Market each Thursday.

### 6. Recommendations

**(1) That Shabir Hussain of Select 2 Ltd T/A “The Bazaar” be licensed to hold an Asian themed Bazaar each Thursday on the Centenary outdoor covered market for a trial period of 12 months.**

### 7. Proposals and Details

Rotherham Borough Council currently operates markets on the outdoor covered area of the Centenary Market complex from Monday to Saturday with the exception of Thursday.

All day Thursday opening in the Indoor Market Hall was introduced in 1998. Footfall figures have consistently shown Thursday to be the quietest shopping day of the week with a daily total averaging 60% of that experienced on the other trading days. The majority of this footfall takes place in the morning and over lunchtime. It is a long term objective of Markets Management to stimulate footfall particularly on Thursdays in order to bolster potential sales and support the vitality of Rotherham town centre markets.

A number of indoor stallholders choose to close early on Thursday citing low shopper numbers from lunchtime onwards, as the reason. This dilutes the attractiveness of the market to shoppers and has a detrimental impact on the other businesses both within the complex and across the town centre.

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Customer feedback from the 2012 Shopper Survey indicated that shoppers would like to see more markets in the town centre. Introducing a new element to the offer by adding a specialist or niche market held on a Thursday is a response to the message that customers want new shopping experiences to be introduced to the town. A new general market would not necessarily attract new shoppers or traders, and, that being the case, would dilute footfall by spreading the same number of customer visits over more days. This would negatively impact on the vitality and sustainability of existing markets.

An application has been received from a private market operator; Shabir Hussain, to hold an Asian themed “bazaar type” market under License on the outdoor covered market each Thursday. The concept is that the market would be unique when compared to any other that currently exists locally and will cater for customers not just in Rotherham, but in the wider region. Although the offer is expected to be of interest to shoppers from the Asian community the objective would be to attract members of all communities to experience something different. The market will stock a diverse range of goods centred on the core products of Asian Fabrics and fashions along with jewellery, footwear, herbs & spices, Halal sweets etc. It is proposed that 80% of the market will be made up of Asian products with 20% of more general products not having to fall with this category. Existing traders on Rotherham Market will be able to apply to take a stall at the Bazaar.

Trading as “The Bazaar” the market would operate on similar lines to that currently established successfully by Shabir Hussain on Leeds outdoor market each Wednesday. A discussion with Leeds Markets has indicated that The Bazaar has operated successfully, in compliance with the requirements put in place by Leeds Markets and that it has increased footfall into the market as a whole.

It is expected that in order to establish the market, and attract the number of visitors required to make the market a success, the operator will need to carry out widespread promotion to raise awareness of the new offer, particularly among new customers who do not currently visit Rotherham to shop. Although this marketing will be carried out by the operator and will be aimed at specifically promoting The Bazaar the spin off is that the promotional activities will reference and thereby raise the profile of Rotherham Market generally.

It is proposed to offer a license to operate the Bazaar for a trial period of one year with the option to extend this for a further two years if successful. The operator would be responsible for the general operation of the market each week including trader recruitment, stall allocation, site cleaning etc. along with full responsibility for meeting the cost of all marketing, signage and promotions. However, given the tangible benefits to the Market Service, assistance will be given wherever possible to promote the Bazaar and wherever such assistance is given the Market Service will seek to ensure that this also benefits the existing market offer.

It is anticipated that the introduction of a new Thursday Market will improve the town centre offer, raise the profile of the Centenary Market by reaching out to new and diverse customers and consequently there will be benefits across the town centre but particularly to the indoor market in increased footfall and the potential for increased spend.

## **8. Finance**

The overriding objective of this new market is to generate additional footfall to support improvements in trade in the town centre on Thursday. A licence fee will be agreed that will ensure that the operation of the new market is at least cost neutral to the market account.

## **9. Risks and Uncertainties**

It is proposed that the The Bazaar is approved to operate on a trial basis for a year during which time the success of the operation can be monitored and assessed. The risks associated with the introduction of a new, large scale, regular weekly, specialist market in Rotherham town centre are considered to be: -

- The market fails to attract new shoppers
- The market draws trade away from existing businesses
- Operating a new market generates additional requirements and costs

### **Attracting New Shoppers**

If The Bazaar is to have a positive impact on the town it will need to attract new shoppers. This risk will self manage in that it is unlikely that a market of the type proposed could generate sufficient sales for the operator to run it successfully unless customers are drawn from beyond the Rotherham area. Promotion of The Bazaar to both traders and shoppers will be the responsibility of the operator. It is unlikely that an operator would want to continue to run a market that was not attracting customers and not proving financially sustainable.

### **Impact on Existing Businesses**

Some existing traders have raised concerns that an increase in the number of traders selling similar goods to those they currently stock may have a detrimental impact upon their businesses some of which are already under pressure in the current economic climate. This includes some traders selling Asian-type goods as well as some selling other products. It is considered that introducing new competition may have an impact on existing businesses but this will be the case with any new investor moving into the town.

This risk is partially mitigated by the fact that The Bazaar is a specialist themed market that aims to attract the spending of new customers into the town over and above those customers who currently patronise existing retailers and markets.

### **Impact on Requirements and Costs**

A number of existing Friday Market traders currently enjoy a concession which allows them to set up their stalls on Thursday. These traders have raised concerns that this concession would be withdrawn with the licensing of the Bazaar and that this would create logistical difficulties for them. Alternative arrangements to facilitate the continuation of this practice are feasible and will be explored with the traders concerned.

There is also a risk that traders currently standing on other outdoor markets may elect to swap trading days rather than take additional ones adding pressures to the traditional outdoor market days. This risk is mitigated by the agreement that at least 80% of the market should comprise Asian products reducing the scope to switch the sale of more general products to The Bazaar.

On balance it is considered that these risks are outweighed by the need to increase footfall to the market complex on Thursdays and the potential to attract new shoppers who currently do not visit Rotherham.

## **10. Policy and Performance Agenda Implications**

A vibrant and successful market is an essential part of an attractive town centre and a key element in delivering Corporate Outcome 08 - More people come to the town centre for work, shopping and things to do and see. The proposals in this report will support the sustainability of the markets operation which is a major footfall attractor for the town, currently drawing in on average circa 85,000 visits per week.

The market also supports regeneration priorities by providing a sustainable environment for business start-up.

## **11. Background Papers and Consultation**

Rotherham Town Centre Shopper Survey 2012

Discussions have taken place between the Market Management and Market Trader representatives, and a consultation meeting was held which was attended by Cabinet Member, R.M.B.C.officers, Outdoor & Indoor Traders, the proposed market operator and a representative from Leeds Market, at this meeting traders raised the concerns mentioned in Risks and Uncertainties above.

A visit to “The Bazaar” operation at Leeds and feedback from Leeds Markets management proved to be positive.

Discussions have taken place with Ward Councillors

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